<u>`</u> _		CLASSIFICATION	DISPATCH SYMB	OL AND NO.	
	DISPATCH	S-E-C-R-E-T	EGF	1 -8518	
10	Chief of Base, Frankfur	t	HEADQUARTERS FILE NO.		
INFO	Chief of Station, Germe	uny	74-6-66/1		
FROM	Chief, SR		DATE	2 5 MAR 1959	
SUBJECT	REDWOOD/AEROOT		RE: **	RE: "43-3" — (CHECK "X" ONE)	
,			MARKED FOR INDEXING		
			NO	INDEXING REQUIRED	
ACTION REQI	See paragraphs 3 and 4 below.		INDEXING CAN BE JUDGED BY QUALIFIED HQ. DESK ONLY		

REFERENCE(S)

- EGFA-24973 A.
- B. EGFA-23123
- C. BGFW-1370
- 1. After having carefully reviewed the AERCOT field project outline, we have decided to forward the project outline to the appropriate reviewing offices with a recommendation that the project be disapproved.
 - 2. Our reasons for recommending disapproval are:
 - a. The project is based on the use of emigre Estonians as REDEKIN agents. According to the figures we have, there are only three or four thousand Estonian emigres in West Germany. A large number of these emigres are in West Germany because they cannot emigrate to other countries due to security reasons, poor health, etc. We also believe that a large number of these emigres, even if they received permission to visit Soviet Estonia, would be reluctant to take the risk of placing themselves under the physical control of the Soviet regime again. The extremely small potential for REDSKIN travel using emigres does not justify the cost of the project.
 - b. Both the RIS and the Germans are also interested in these emigres. The emigres have been used for intelligence purposes by the RIS, the AIS and the Germans ever since the end of World War II. We feel that the FI potential of these emigres has been pretty well exhausted by this time.
 - c. As we indicated in Reference C, we do not think AEROOT/5 has any potential as the principal agent of an FI project. He is known to the Germans as an AIS agent, and is targeted for recruitment by the RIS. As the attached comments from the Reports Staff indicate, the intelligence information received from AERCOT/5 during the last year was at best of marginal use.
 - d. During the six months that have elapsed since our original proposal for terminating AERCOT/5, we have seen nothing in the way of production that has led us to change our mind about his potential.
- 3. We plan to forward the field project outline with our recommendations about 30 April. If you have any comments on our reasons for recommending termination, or any additional comments you wish to make, we request that they be forwarded to Headquarters to reach us by that date so that we can include them with our recommendation.
- 4. As an alternative to outright termination of AERCOT/5, we suggest that it might be possible to use his services as an informant on Estonian affairs in

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REPLACES FORMS

8-E-C-R-E-T

CLASSIFICATION

CONTINUATION OF DISPATCH

CLASSIFICATION S-E-C-R-E-T DISPATCH SYMBOL AND NO.

ECFW-8518

West Germany. Such a proposal, however, should involve considerable less expense than the _____ requested in the field project outline. For example, we see no reason to include ARMECH/27, a safehouse, or more than 4 to 5 hundred dollars for operational expenses in such a proposal.

18 March 1959

Attachment: h/w Comments im Rpts Staff

Distribution:

2 - COB, Frankfurt w/att 2 - COS, Germany w/att

1 - RI w/att 2 - SR/2 w/att

SR/2/Baltic/Estonia/JRS/sb

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10-57 53a (40)

USE PREVIOUS EDITION. REPLACES FORMS 51-28, 51-28A AND 51-29 WHICH ARE OBSOLETE.

8-E-C-R-E-T

CONTINUED

PAGE NO. 2

Attachment to EGFW-8518

SUBJECT: Review of Positive Intelligence Production from Project AERCOT/5 for the Period 1 February 1958 to 31 January 1959

Statistics

1. Our review of production from AEROOT/5 and AEREON/27 reveals that positive intelligence production during the period 1 February 1958 to 31 January 1959 was as follows. All this production was from AEROOT/5.

a.	Reports received/processed:	7
b.	Reports used in disseminations:	4 ,
c.	Reports rejected:	3
đ.	Reports awaiting dissem action:	0
e.	Disseminations:	4
f.	Evaluations requested:	1

Comments

2. The reports from AEROOT/5 production were largely derived from debriefings of German repatriates from the Estonian SSR and were primarily concerned with political conditions in that area. In general, the informants lacked access to high-level political information, the subjects treated in the reports were of limited positive intelligence value, and the reporting was either too general or too fragmentary to be of value. The information was often anecdotal and repetitious, belaboring the obvious fact of Estonian apathy and hostility toward the Soviet regime. An evaluation was requested of a typical report in this project in order to obtain consumer reaction to this kind of information, but a reply has not yet been received.

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